

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -JUNE 19, 2007- -7:30 P.M.

Mayor Johnson convened the Regular Meeting at 7:52 p.m.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

AGENDA CHANGES

(07-278) Mayor Johnson announced that the Public Hearing to consider Certification [paragraph no. 07-292] would be continued to July 17, 2007.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(07-279) Proclamation recognizing contributions to the City by gay and lesbian residents and encouraging the community to recognize these contributions, particularly during the month of June, Gay Pride Month.

Mayor Johnson read and presented the proclamation to Salleyanne Monti.

Ms. Monti thanked Council for the proclamation; stated Alameda is a great place to raise children regardless of individual beliefs; hopefully, a proclamation will not be needed in the future.

Councilmember Matarrese requested that the Social Service Human Relations Board provide Council with a protocol recommendation for flying flags.

Mayor Johnson stated the Pension Board is interested in having another flag pole.

CONSENT CALENDAR

Councilmember Matarrese moved approval of the Consent Calendar.

Councilmember Matarrese stated he is interested in the 50% local match requirement outlined in the Resolution Authorizing the City Manager to Execute a Bicycle/Pedestrian Countywide Discretionary Program Grant Funding Agreement [paragraph no. *07-287].

Vice Mayor Tam seconded the motion, which carried by unanimous voice vote - 5. [Items so enacted or adopted are indicated by an

asterisk preceding the paragraph number.]

(*07-280) Minutes of the Special Joint City Council and Planning Board Meeting held on May 31, 2007; the Special and Regular City Council Meetings held on June 5, 2007; and the Special City Council Meeting held on June 6, 2007. Approved.

(*07-281) Ratified bills in the amount of \$3,093,885.29.

(*07-282) Recommendation to award Contract for Legal Advertising for Fiscal Year 2007-2008. Accepted.

(*07-283) Recommendation to approve an agreement with Ameresco Manteca, LLC for the purchase of power from Landfill Gas Generation for a twenty-year term at a fixed price of \$73.25/MWH. Accepted.

(*07-284) Recommendation to accept and authorize recording Notices of Completion for the Bayport Fleet Industrial Supply Center (FISC)/East Housing Residential Phase 2 Public Backbone Infrastructure Improvements along Fifth Street and Stargell Avenue and the Storm and Sewer Trunkline Project. Accepted.

(*07-285) Recommendation to award Contract in the amount of \$330,000, including contingencies, to Arborwell for pruning of City trees within the City of Alameda for the Fiscal Year ending June 30, 2008, No. P.W. 04-07-13. Accepted.

(*07-286) Recommendation to award Contact in the amount of \$200,000, including contingencies, to Dowling Associates to update the Transportation Element of the General Plan and conduct an associated traffic and environmental Review. Accepted.

(*07-287) Resolution No. 14103, "Authorizing the Execution of a Grant Funding Agreement with Alameda County Transportation Authority, Committing the Necessary Match and Stating the Assurance to Complete the Project." Adopted.

(*07-288) Resolution No.14104, "Approving Revised Memorandum of Understanding Between the Alameda Police Officers Association Non-Sworn Unit and the City of Alameda for the Period Commencing December 24, 2006 and Ending December 19, 2009." Adopted.

(*07-289) Resolution No. 14105, "Approving Revised Executive Management Compensation Plan for the City Clerk, Assistant City Manager, Deputy City Manager, Human Resources Director and the Executive Management Team Established by Resolution 13545 and Amended by Resolutions 13626, 13689, 13977, 14008 and 14034, Commencing June 24, 2007 and Ending June 20, 2009." Adopted.

(*07-290) Ordinance No. 2966, "Containing a Description of the Community Improvement Commission's Program to Acquire Real Property by Eminent Domain in the Alameda Point, Business and Waterfront, and West End Community Improvement Project Areas." Finally passed.

(*07-291) Public Hearing to consider Resolution No. 14106, "Approving Parcel Map PM06-0002 to Allow the Division of an Existing 14,400 Square Foot Residential Lot into Four Parcels at 471 Pacific Avenue The property is Located in a R-4-PD, Neighborhood Residential Planned Development Zoning District. Applicant: William De Mar." Adopted.

REGULAR AGENDA ITEMS

(07-292) Public Hearing to consider Certification of a Final Environmental Impact Report and approval of Northern Waterfront General Plan Amendment (GPA 07-0002) and Citywide Childcare Policies: General Plan amendment to designate approximately 110 acres of northern waterfront industrially designated properties to a specified mixed-use designation and adopt certain general plan policies to guide the future development of the area, guide future development citywide, and guide decisions regarding childcare citywide. The Northern Waterfront project area is generally bounded by Sherman Street on the west, Buena Vista Avenue on the south, Grand Street on the east, and the Oakland/Alameda Estuary on the north; and

(07-292A) Adoption of Resolution Certifying the Final Environmental Impact Report for the Northern Waterfront General Plan Amendment (State Clearinghouse #2002102118);

(07-292B) Adoption of Resolution Making Findings Regarding Environmental Impacts and Mitigation Measures, Making Findings Concerning Alternatives, Adopting a Mitigation Monitoring and Reporting Program and Adopting a Statement of Overriding Considerations in Accordance With the California Environmental Quality Act for the Northern Waterfront and Child Care Policy General Plan Amendment (State Clearinghouse #2002102118); and

(07-292C) Adoption of Resolution Approving General Plan Amendment, GPA07-0002: General Plan Amendments to: (A) Amend the General Plan Land Use Diagram to Change the Designation of Approximately 110 Acres Within the Northern Waterfront to Specified Mixed Use and Medium Density Residential, and (B) Amend Sections and Associated Tables of the General Plan. **Continued to July 17, 2007.**

(07-293) Resolution No. 14107, "Authorizing the City Manager to Execute an Agreement to Allow the City of Alameda to Participate as

a Member of the East Bay Regional Communications System Joint Powers Authority and Also Submit A Good Faith Payment Not to Exceed \$54,100 to Support Formation of the East Bay Regional Communications System." Adopted.

The Interim Fire chief gave a brief presentation.

Mayor Johnson stated that she is glad to see the matter moving forward; Senator Barbara Boxer is pleased that the region is forward thinking of forming the Joint Powers Authority; inquired whether most Alameda County cities would join.

The Police Chief responded the majority have agreed to join; stated the City of Oakland and City of Berkeley have not responded.

Mayor Johnson stated hopefully the City of Oakland and City of Berkeley would join; the Oakland Hills fire had some interoperability issues.

Councilmember Matarrese inquired whether Alameda's estimated cost is based on 100% participation.

The Interim Fire Chief responded the estimate is a wild guess; stated the estimate is based upon the expectation of some grant funding and long-term financing by the City.

Councilmember Matarrese inquired whether the estimate assumes 100% participation of the cities within the region or is an estimate based on how many cities are presently involved.

The Interim Fire Chief responded a backbone system is needed first; stated thirty-one cell sites are expected; fewer cell sites would be needed with less participation; a portion of the estimate is the City's cost for purchasing radio equipment; the estimate could change dramatically; the City is not obligated at this time.

Councilmember Gilmore inquired what is the timeframe.

The Police Chief responded the project is anticipated to have a five to seven year window; stated the early parts of the project are already in place; the key is to get the Joint Powers Authority up and running in order to apply for the funding.

Mayor Johnson inquired whether Alameda was already interoperable with the County, to which the Interim Fire Chief responded the Fire Department is.

Mayor Johnson inquired whether system upgrades were done six years

ago.

The Police Chief responded some upgrades occurred; stated the basic backbone system dates back to late 1992.

Mayor Johnson stated hopefully interoperability will allow the entire County to communicate.

The Interim Fire Chief stated the Fire Department Dispatch Center is at the Lawrence Livermore Laboratory; parts are harder to get to keep the system alive and well.

Councilmember deHaan inquired whether the East Bay Regional Communication System hinges on the rest of California municipalities coming together; further inquired whether systems are in place in other regions.

The Police Chief stated many Northern California agencies are in the same position of having systems at the end of the cycles and changes are needed; hopefully all nine Bay Area counties will develop a system to communicate with each other.

Councilmember deHaan inquired whether Alameda's system would be able to be married with the rest of the upcoming systems.

The Police Chief responded the system would be an open architecture system that would allow others to mesh as the system evolves.

The Interim Fire Chief stated the Federal Communications Commission (FCC) requires setting aside certain talk groups with an 800 trunk system; he participated in setting up a similar system in Orange County.

Vice Mayor Tam inquired how long it took for all cities to participate in a Joint Powers Authority in Orange County.

The Interim Fire Chief responded initially, participation was for the Fire Service; stated the process took five or six years to become operational; expansion took seven or eight years for all City services.

The City Manager stated the effort was huge; a lot of decisions need to be made along the way.

Mayor Johnson inquired whether other cities have radio systems that would work with the regional system.

The Interim Fire Chief responded Dallas and Florida have 800 trunk

systems in place.

Councilmember deHaan inquired whether 911 calls can be made on cell phones [and are directed to Police Dispatch].

The Police Chief responded there is good news on the E-911 system; Nextel lines are not up and running; the City is at the mercy of Nextel to make some technological changes; the City has done everything to be able to receive 911 calls.

Councilmember deHaan inquired whether other cell carriers would be able to interface, to which the Police Chief responded in the affirmative.

Mayor Johnson expressed condolences to the Police Chief on the loss of Lieutenant Cranford; requested that the Police Chief extend the City's condolences to the family.

Councilmember deHaan moved adoption of the resolution.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

ORAL COMMUNICATIONS, NON-AGENDA

(07-294) Michael John Torrey, Alameda, stated the Relay for Life event would take place on Saturday and Sunday; this week is Amateur Radio Week; today is the 73rd birthday of the Federal Communication Commission.

(07-295) Cate Kuhne, Alameda, submitted handout; stated that she received an eviction notice for living in an illegal unit; documentation shows that the building has been a ten-unit apartment house since 1945; staff is choosing to ignore said fact; she has appealed the eviction and has been advised by City staff that she has no rights; requested Council to review and investigate the matter and to schedule and hold an administrative hearing by August 19, 2007.

Mayor Johnson requested an Off-Agenda report on the matter.

Councilmember deHaan requested staff to find out where the landlord is in the process.

(07-296) Patrick Lynch, Alameda, stated the owner next to his property was required to file a deed restriction; the deed restriction was recorded eighteen months ago; construction began approximately six weeks ago; the owner was required to protect the

Oak trees during construction; the owner has not taken any steps to protect the Oak trees; he does not see how the City can pass an inspection on the foundation since the recommended techniques were not used; the deed restriction requires that the landscaping be maintained in a weed free condition; the weeds are six feet tall; deed restrictions are an instrument that the Navy would like to use to transfer contaminated property to the City; the Navy will not be able to use a deed restriction to transfer property with residual contamination to the City if deed restriction requirements are not enforced by the City or complied with by the property owner.

Mayor Johnson requested that staff review the matter.

Councilmember deHaan requested an Off-Agenda report.

COUNCIL COMMUNICATIONS

(07-297) Consideration of Mayor's nominations for appointment to the Civil Service Board, Commission on Disability, Film Commission, Housing and Building Code Hearing and Appeals Board, Housing Commission, Library Board, Planning Board, Public Art Commission, and Social Service Human Relations Board.

Mayor Johnson nominated Linda McHugh to the Civil Service Board; Jeannette L. Copperwaite, David Duffin, Liam B. Gray, and Orin D. Green to the Film Commission; Steve R. Fort, Margaret Hakanson, Roberta Kreitz, Audrey Lord-Hausman, and John Robinson to the Commission on Disability Issues; Ronald Kahn to the Housing and Building Code Hearing and Appeals Board; Nancy Gormley, Senior Tenant Seat, to the Housing Commission; Marilyn Ezzy Ashcraft and Gina Mariani to the Planning Board; Katina Huston to the Public Art Commission; Mike Hartigan to the Library Board; Cathy Nielsen and Henry Villareal to the Social Service Human Relations Board.

(07-298) Vice Mayor Tam stated that she attended the memorial service for Ed Dankworth; Mr. Dankworth served on the Social Service Human Relations Board and was very active in contributing to causes related to children, protection for seniors, and health care with Alameda Family Services; requested that the meeting be adjourned in his memory.

Mayor Johnson stated she would like to include Lieutenant Cranford also.

(07-299) Councilmember Matarrese requested that a resolution regarding the war in Iraq be placed on the second agenda in July under Council Communications for Council consideration.

ADJOURNMENT

(07-300) There being no further business, Mayor Johnson adjourned the Regular Meeting at 8:32 p.m. in a moment of silence in honor of Lieutenant Cranford and Ed Dankworth.

RECONVENED

Mayor Johnson reconvened the regular meeting at 8:33 p.m. to consider the resolution appointing Bill Sonneman.

REGULAR AGENDA ITEM

(07-301) Resolution No. 14108, "Appointing Bill Sonneman as a Member of the City Recreation and Park Commission." Adopted.

Councilmember Matarrese moved adoption of the resolution.

Vice Mayor Tam seconded the motion, which carried by unanimous voice vote - 5.

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the Regular Meeting at 8:34 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE ANNUAL COMMUNITY IMPROVEMENT COMMISSION MEETING
TUESDAY- -JUNE 19, 2007- -7:25 P.M.

Chair Johnson convened the Annual Meeting at 7:38 p.m. Commissioner Tam led the Pledge of Allegiance.

ROLL CALL - Present: Commissioners deHaan, Gilmore, Matarrese, Tam, and Chair Johnson - 5.

Absent: None.

SPECIAL ORDERS OF THE DAY

(07-020) Update on the Alameda Theater, Cineplex, and Parking Structure Project.

The Redevelopment Manager gave a brief presentation.

Commissioner Matarrese inquired whether the project was on budget, to which the Redevelopment Manager responded in the affirmative.

Commissioner deHaan inquired what is the total budget for the arts portion of the project.

The Redevelopment Manager responded the Development Agreement states that the restoration budget would meet the overall Public Arts requirement, which is close to \$2 million; stated a budget is being developed for the panels and would come to Council in July; the range is approximately \$15,000 to \$20,000 and includes panel reproduction, design fees, and installation.

Commissioner deHaan inquired whether staff had the opportunity to discuss light efficiencies with Alameda Power and Telecom (AP&T).

The Redevelopment Manager responded in the negative; stated staff would discuss the issue with AP&T before July.

Commissioner deHaan inquired whether the concession partition was discussed.

The Redevelopment Manager responded staff discussed the matter with the preservation architect; stated concession visibility is important from the developer's standpoint; food and beverage revenues comprise approximately 50% of the project revenue; a blocked area would not be economically feasible; staff is working with the developer on color schemes; the State Historic Preservation Officer reviewed the drawings, including the

concession area, and approved the project design; the lobby leaf work will be very bright; the concession stand will not detract from the beauty of the lobby.

Commissioner Tam stated the theater is projected to be completed a month ahead of the parking garage; inquired whether the theater and parking garage would have to open at the same time.

The Redevelopment Manager responded the theater requires tenant improvements; stated the operator needs sixty days to install the seating, concession case work, ticket booth equipment, etc.; the theater cannot open without the garage; the garage can open without the theater; staff is working on a schedule to open the garage in January.

Commissioner deHaan inquired whether parking fee management and support have been discussed; stated nothing is noted in the budget.

The Redevelopment Manager responded staff is working with all departments; stated an operations and management plan has been drafted and reviewed by the Economic Development Commission, the Transportation Commission, and Park Street Business Association; a budget is being finalized; more information is needed before going out to bid for a parking management contract.

Commissioner deHaan inquired what would be the fee schedule.

The Redevelopment Manager responded fifty cents per hour, which is the same as on-street parking; stated incentives need to be created so that people use the parking garage; extensive outreach needs to be done before the parking garage opens; staff would present the operations plan to Council in September; an ordinance needs to be adopted to allow public parking garages.

Chair Johnson stated that the project is moving along well; the public needs to know that conscious decisions have been made to spend some of the contingency.

Commissioner Gilmore requested that renovation pictures be posted to the website.

MINUTES

(07-021) Minutes of the Special Community Improvement Commission Meeting held on May 15, 2007. Approved.

Commissioner deHaan moved approval of the minutes.

Commissioner Tam seconded the motion, which carried by unanimous voice vote - 5.

AGENDA ITEMS

None.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COMMISSION COMMUNICATIONS

None.

ADJOURNMENT

There being no further business, Chair Johnson adjourned the Annual Meeting at 7:52 p.m.

Respectfully submitted,

Lara Weisiger
Secretary

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL JOINT CITY COUNCIL,
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY (ARRA), AND
COMMUNITY IMPROVEMENT COMMISSION (CIC) MEETING
TUESDAY- -JUNE 19, 2007- -7:31 P.M.

Chair Johnson convened the Special Joint Meeting at 8:33 p.m.

ROLL CALL - Present: Councilmembers/Board Members/Commissioners
deHaan, Gilmore, Matarrese, Tam and
Mayor/Chair Johnson - 5.

Absent: None.

CONSENT

Councilmember/Commissioner Matarrese moved approval of the Consent Calendar.

Councilmember/Commissioner deHaan seconded the motion, which carried by unanimous voice vote - 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*07-302 CC/*07-022 CIC) Recommendation to approve the Fiscal Year 2007-2008 Operating and Capital Improvement Budget for the Bayport Project. Accepted.

Councilmember/Commissioner Matarrese moved approval of the staff recommendation.

Councilmember/Commissioner deHaan seconded the motion, which carried by unanimous voice vote - 5.

AGENDA ITEMS

(07-303 CC/07-023 CIC) Public Hearing to review and approve development of affordable rental housing at Island High as an eligible use of the District Housing Fund.

The Development Services Director gave a brief presentation.

Councilmember/Commissioner Matarrese inquired whether preference points would be given to School District employees and teachers.

The Development Services Director responded that [giving preference points] is anticipated; stated housing would be made available on a first-come first-serve basis; units would not be reserved.

Councilmember/Commissioner Matarrese inquired whether not reserving units is required by law or policy.

The Development Services Director responded probably policy; stated units need to be occupied.

Mayor/Chair Johnson inquired what would be the qualifying income level.

The Development Services Director responded 80% of the median and below.

Mayor/Chair inquired whether a teacher would qualify.

The Development Services Director responded an entry-level teacher would not; stated part-time teachers and some staff would qualify.

Mayor/Chair Johnson stated the School District has been looking for ways to provide affordable housing for staff; inquired whether a second tier could be created for City employees if enough School District employees do not qualify.

The Development Services Director responded staff has not looked into the matter; stated that she has not seen it [tier systems] done in other communities; other communities give preference to Police, Fire, and school teachers.

Councilmember/Commissioner Matarrese inquired whether a legal prohibition exists, to which the City Attorney responded in the negative.

Councilmember/Commissioner deHaan stated preference points are given to Alameda residents.

The Development Services Director stated preference points are given to people who live and work in the City.

Councilmember/Commissioner Matarrese moved approval of the staff recommendation with the condition that affordable housing be offered to School District employees first and City employees next.

Vice Mayor/Commissioner Tam seconded the motion, which carried by unanimous voice vote - 5.

(07-304 CC) Resolution No. 14019, "Approving and Adopting the

Operating Budget and Capital Improvements and Appropriating Certain Moneys for the Expenditures Provided in Fiscal Year 2007-08." Adopted;

ARRA Resolution No. 41, "Approving and Adopting the Operating Budget and Appropriating Certain Moneys for the Expenditures Provided in Fiscal Year 2007-08." Adopted;

(07-024 CIC) CIC Resolution No. 07-150, "Approving and Adopting the Operating Budget and Appropriating Certain Moneys for the Expenditures Provided in Fiscal Year 2007-08." Adopted;

(07-304A CC) Resolution No. 14110, "Establishing Guidelines for Reimbursement of Per Diem Allowance for City of Alameda Business Travel." Adopted; and

(07-304B CC) Recommendation to authorize the City Manager to negotiate a Grant Agreement between the City of Alameda and the Alameda Historical Museum.

The City Manager/Executive Director gave a brief presentation.

Mayor/Chair Johnson stated residents have experienced sewage backups because of tree roots; the Public Works Department handles the issue well; inquired whether a long-term plan is in place.

The Public Works Director responded a long-term plan is being developed; stated Council approved three \$400,000 Contracts to start video taping sewer lines and storm drains; the City's Sewer Lateral Ordinance requires sewer lateral testing before a house is sold.

Councilmember/Board Member/Commissioner deHaan inquired whether a reserve fund has been established; stated expenditures are lower than revenue.

The Public Works Director responded in the affirmative; stated money is being held back to complete the Master Plan; \$2 to \$3 million will be spent on capital construction projects annually; the total budget includes the costs associated with infrastructure.

The City Manager/Executive Director stated the Sewer Service Fund is \$40 million.

Vice Mayor/Board Member/Commissioner Tam stated Public Works staff was extremely responsive when she had a sewer backup on her street.

Mayor/Chair Johnson stated Council approved the Turf Management

Plan; inquired whether adequate resources are available to continue the Plan, to which the Recreation and Parks Director responded another five sites are scheduled for Fiscal Year 207-2008.

Mayor/Chair Johnson stated the parks look great.

Councilmember/Board Member/Commissioner Gilmore thanked the Interim Golf Complex General Manager, staff and Golf Commission for all the hard work in turning around the Golf budget; stated she looks forward to reading the Consultant's report.

Councilmember/Board Member/Commissioner deHaan stated unfunded capital projects would need to be address in the next year or two at the Golf Complex.

The Interim Golf Complex General Manager stated staff will be reviewing the matter at mid-year.

Councilmember/Board Member/Commissioner deHaan inquired whether a date has been set for unfunded projects.

The City Manager/Executive Director stated staff continues to look into funding sources and grants.

Councilmember/Board Member/Commissioner Matarrese stated the budget is very clear; requested the City Manager/Executive Director to comment on whether staffing is adequate for Police Sworn Officers, Firefighters, and the Library.

The City Manager/Executive Director outlined the approved workforce changes on page seven of the budget report; stated safety services are being monitored; the Library has been provided with \$60,000 for part-time employees.

Councilmember/Board Member/Commissioner Gilmore stated the Library has adequate staffing for the size of the building; Council was hoping to look at ways to extend hours.

The City Manager/Executive Director stated Library hours have not increased.

Councilmember/Board Member/Commissioner Gilmore inquired whether more staff would be needed if hours were increased, to which the City Manager/Executive Director responded in the affirmative.

Councilmember/Board Member/Commissioner Gilmore stated she would

like the issue pursued in the next budget cycle.

Mayor/Chair Johnson inquired how many nights per week the Main Library is open.

The Library Director responded two nights; stated each branch is open two nights a week; Thursday and Friday are the only nights a library is not open.

Councilmember/Board Member/Commissioner deHaan inquired when the Main Library closes.

The Library Director responded 9:00 p.m. on Monday and Wednesday; stated more full-time staff would be needed for additional hours; statistics are being reviewed to determine the busiest times; staff is reviewing the possibility of opening a half hour later so that the Main Library could be open later in the evening.

Councilmember/Board Member/Commissioner Gilmore stated branch libraries perform different functions than the Main Library; people like to use the Main Library because of the computers; suggested increasing the Main Library's evening hours and reducing the branch library hours.

The Library Director stated staff is reviewing statistics for all three locations.

Mayor/Chair Johnson stated branch libraries are used differently; it is important to have the Main Library open as many evenings as possible.

Councilmember/Board Member/Commissioner deHaan inquired whether Alameda Power and Telecom (AP&T) has already reduced staff by eight.

The AP&T General Manager responded one layoff occurred this year; stated the remainder of the positions would be eliminated at the end of the current fiscal year.

Councilmember/Board Member/Commissioner deHaan inquired whether further reductions are anticipated.

The AP&T General Manager responded not currently; stated stabilization is the main focus.

Councilmember/Board Member/Commissioner deHaan inquired how many

telecom employees there are, to which the AP&T General Manager responded twenty-three.

Councilmember/Board Member/Commissioner deHaan stated the telecom side has somewhat of a balanced budget; inquired whether re-bonding is anticipated in 2009 to take care of long-term financial requirements.

The AP&T General Manager responded the matter is yet to be determined and would be brought to the Public Utilities Board (PUB) in the coming months; stated the PUB discussed issues not included in the current budget, such as voice services, as an additional revenue stream.

Councilmember/Board Member/Commissioner deHaan inquired whether customer base is increasing.

The AP&T General Manager responded in the negative; stated that AP&T has lost an average of 30 customers per month for the last seven months.

Councilmember/Board Member/Commissioner deHaan stated a \$2 to \$2.5 million revenue stream would be needed for re-bonding; inquired whether adjustments or increased revenue would be needed next year.

The AP&T General Manager responded refinancing and additional revenue issues would be brought to the PUB.

Councilmember/Board Member/Commissioner deHaan inquired whether said issues would need to start in 2008, to which the AP&T General Manager responded in the affirmative.

Councilmember/Board Member/Commissioner deHaan stated draw downs were made on [General Fund] reserves in support of the infrastructure; inquired whether the new budget [General Fund reserve level] would be back up to 22%.

The City Manager/Executive Director responded estimates are 22% of expenditures and would be subject to mid-year review and potential appropriations by Council.

Councilmember/Board Member/Commissioner deHaan inquired whether infrastructure catch up work is anticipated in the proposed budget.

The City Manager/Executive Director responded \$2.2 million per year is estimated; funds are currently at \$1.73 million; the balance

would be reviewed at mid-year.

Vice Mayor/Board Member/Commissioner Tam inquired whether some capital improvement funds could be used for the Meyers House to make the facility more available to the City.

The Recreation and Park Director responded the Meyers House is partially funded through a trust fund established by the Meyers family; stated the Recreation and Park Department subsidizes approximately \$20,000 to \$25,000 per year for the upkeep to the grounds and house.

Mayor/Chair Johnson stated eventually roof repair would need to be done.

The Recreation and Park Director stated a long-term plan needs to be developed.

Mayor/Chair Johnson stated that she was on the Planning Board when the City Council accepted the Meyers House; a condition was that the Meyers House would not cost the City money.

Vice Mayor/Board Member/Commissioner Tam inquired what is the maintenance cost, to which the Recreation and Park Director responded \$50,000 to \$60,000 per year.

Vice Mayor/Board Member/Commissioner Tam inquired whether the City is subsidizing over half of the cost, to which the Recreation and Park Director responded in the affirmative.

Councilmember/Board Member/Commissioner Gilmore stated previous discussions addressed not using the grounds more because of the lack of restrooms.

The Recreation and Park Director stated no outdoor restroom facilities are available; the Meyers House is in the middle of a residential neighborhood; rentals take place a couple of times a year for wedding ceremonies and teas; parking is limited.

Mayor/Chair Johnson stated residents are subsidizing the Meyers House; it is important to find a way for residents to enjoy the facility.

Vice Mayor/Board Member/Commissioner Tam inquired what are the hours of operation.

The Recreation and Park Director responded the facility is open one Saturday per month for tours; stated special tours can be scheduled; the gardens are open on a daily basis.

Councilmember/Board Member/Commissioner deHaan inquired whether the endowment goes up every year.

The Recreation and Park Director responded the endowment depends on the performance of the trust.

Councilmember/Board Member/Commissioner deHaan inquired whether the endowment is keeping up with expenses, to which the Recreation and Park Director responded in the negative.

Mayor/Chair Johnson inquired what are trust provisions; further inquired whether the facility could revert back to the trust.

The Recreation and Park Director responded the original will requires that the house be used as a museum; stated the facility could revert back to the trust if said stipulation was not met.

Mayor/Chair Johnson requested an Off-Agenda report on whether renegotiating the trust would make sense; stated it is important to protect the City and not to use taxpayer's money on an asset that could revert back to the trust.

Councilmember/Board Member/Commissioner deHaan inquired whether other Meyers properties are tied to the same trust, to which the Recreation and Park Director responded in the affirmative.

Mayor/Chair Johnson stated assets should be sold to support other trust properties if properties are doing poorly.

Vice Mayor/Board Member/Commissioner Tam inquired whether there is a possibility of increasing hours of operation.

The Recreation and Park Director responded the matter could be reviewed; stated staffing levels are a concern.

Councilmember/Board Member/Commissioner deHaan inquired when the \$2.2 million AP&T and \$5 million ARRA General Fund loans are due; further inquired whether other loans are outstanding.

The City Manager/Executive Director responded other loans are not outstanding; stated an Off-Agenda report would be provided on when referenced loans are due.

Mayor Johnson requested an overview on the \$50,000 line item [10% Alameda Museum rent subsidy cut].

The City Manager gave a brief overview.

Mayor Johnson inquired whether \$41,000 would be set-aside for the Museum this year and \$50,000 would be available for cultural organizations next year.

The City Manager responded \$50,000 would be available for cultural organizations every year, but the bulk would be dedicated to the Alameda Museum.

Mayor Johnson inquired whether Council would determine how the \$50,000 would be allocated.

The City Manager responded the recommendation is that a portion of the \$50,000 goes to the Alameda Museum.

Mayor Johnson stated that she recalls that the City started paying Museum rent in 1999, not 1991; the allocation was an emergency issue because the Museum was facing potential loss of the facility.

The City Manager stated records are incomplete; 1991 was when the Museum moved to the Masonic Building.

Diane Coler-Dark, Alameda Museum, stated problems existed with funding and the Museum; all conditions were met on the Court order; Council reinstated the funding that was temporarily withheld for six months; a minor rent increase occurred and Council agreed to meet the rent increase.

Robbie Dileo, Alameda Museum, stated the Museum was evicted from a 100-year lease and moved from Oak Street; the Museum moved to the Masonic Building; funding was suspended for six months and reinstated; a rent increase occurred in 2001; now the Museum is faced with a rent increase.

Vice Mayor Tam stated records indicate that Council authorized funding in Fiscal Year 1999-2000 for \$38,400; amounts under \$75,000 are within the City Manager's authority; inquired whether Council made an appropriation for the Museum since 1999.

Ms. Dileo responded the Museum has not had to come to Council every two years to request the rent subsidy.

Vice Mayor Tam stated there was no written agreement; inquired whether the Museum provides documentation regarding use, artifact inventory, etc. throughout the subsidy period, to which Ms. Dileo responded documentation is provided only upon request.

Vice Mayor Tam inquired whether City funding was an automatic expectation every year.

Ms. Dileo responded the funding was coupled with the Masonic lease.

Vice Mayor Tam inquired whether the rent has stayed the same since 2000 except for the past year, to which Ms. Dileo responded in the affirmative.

Councilmember deHaan inquired whether the Oak Street site was the Carnegie Library.

Ms. Dileo responded the Museum was in the Carnegie Library basement rent free for 30 years; the Museum moved to the Recreation and Park Department site on Oak Street; improvements were made totaling \$60,000 because the Museum was under the impression that the 99-year lease was iron clad; the City no longer had a place for the Museum; the Masons are also a non-profit organization; the rent was reasonable at 76 cents per square foot; now the rent is \$1.76 per square foot.

Councilmember deHaan inquired whether the Mason lease is a five-year term.

Ms. Dileo responded the lease is for two years; the President advised that the Museum could sign a new, three-year lease.

Mayor Johnson inquired which facility had the 99-year lease, to which Ms. Dileo responded 1327 Oak Street.

Mayor Johnson stated the site is not City property; the lease was not with the City.

Ms. Coler-Dark stated the City negotiated the lease to the best of her knowledge.

Councilmember deHaan stated a relationship must have existed because the Recreation and Park Department took over the site.

Mayor Johnson stated the City was evicted from the site by the

School District.

The City Manager stated the Museum allocation was identified in the budget every year; it is important to have an agreement for the terms and conditions.

Mayor Johnson called the speakers.

(Opponents (Not in favor of a 10% Museum rent subsidy cut)): George Gunn, Alameda; Nancy Anderson, Alameda; Nancy Hird, Alameda; Nancy Gordon, Alameda; Diane Coler-Dark; Alameda Museum; Philip A. Grauean, Alameda; Donna Grauem, Alameda; Chuck Millar, Alameda Museum; Birgitt Evans, Alameda; Robbie Dileo, Alameda; Christopher Buckley, Alameda; Ross Dileo, Alameda; Adam Hohun, Alameda.

Mayor Johnson inquired how much revenue is collected through donations.

Ms. Coler-Dark stated donations vary; home tours generate \$8,000 to \$12,000; the gift shop is successful.

Ms. Dileo stated revenue is collected through estate sales.

Mayor Johnson inquired how much money is received from donations.

Ms. Coler-Dark responded the amount of donations vary greatly; stated an endowment was received from the Stafford family; extra money is placed in Certificates of Deposits; the principle will be used to pay for the rent increase.

Mayor Johnson inquired how much money is received in donations on an average or annually basis.

Ms. Dileo responded some years donations amount to \$4,000, other years \$12,000.

Vice Mayor Tam inquired how donations are solicited.

Ms. Coler-Dark responded members walk the neighborhoods and leave flyers on porches; stated a massive membership drive has been directed to past members.

Vice Mayor Tam inquired whether Board Members are required to make contributions over time.

Ms. Coler-Dark responded Board Members make significant

contributions; stated all Board Members are due paying members and contribute to special projects.

Councilmember Gilmore inquired whether solicitations are sent to major employers in the City.

Ms. Coler-Dark responded said solicitations were tried; nothing was received.

Ms. Dileo stated a big corporate effort has not been made because a great amount of time has been given to special exhibits and flood repair; past solicitation efforts have not been successful.

Mayor Johnson stated that she received a Meyers House brochure; the brochure contained a membership form but no request for solicitation.

Councilmember Gilmore stated that requests for solicitation should be included in mailers.

Councilmember Matarrese stated that he is supportive of a Cultural Arts Program; the City has a Public Arts Fund with a balance of \$42,789; developers are required to either provide Public Art or pay in lieu fees; 25% is available for programs; \$10,000 could be used for something other than public art and has not been dispersed; seeds are there for a Cultural Arts Program; the City should financially support the Museum; he would support keeping the current level of the Museum's subsidy; a 10% cut would cause the Museum to go away; the Museum needs help; there should be a condition requiring the establishment of a business plan that has an aggressive fundraising plan.

Mayor Johnson stated that the City could help by offering a donation match; other non-profit organizations are in need of funding also; the Museum has very little money in donations.

Councilmember Gilmore stated Museum support is important; an agreement is needed going forward; the Museum needs a business and fundraising plan for long-term issues; the Museum occupies a space that could be a retail space; rents will go up as Park Street improves; the City can help with providing resources for the business and fundraising plan and with finding another space; the City is not asking the Museum to do anything different than other non-profits; museums should pull resources together for a fundraiser and split the proceeds; the Museum needs to approach the operation more like a business; long-term strategic planning is

needed; the City has an obligation to other arts and cultural groups also; the City did not pay rent for the months that the Museum was closed due to a flood; suggested that the City apply the rent savings to the budget cut for the year going forward.

Councilmember deHaan stated that the Museum was not operational during the flood situation and did not receive funding; all departments were making cuts in Fiscal Year 2004-2005; the 10% cut is not relevant at this time; the Museum and community arts bring a value to the City but have two different missions; he finds it bizarre to get caught up in a \$50,000 line item; the Cultural Arts have needs like everyone else; \$4,600 is not going to make or break the City; the City needs to work with all entities.

Mayor Johnson stated the Alameda Civic Light Opera (ACLO) has not requested assistance in the past; the Public Arts Fund is an annual accumulation.

Councilmember Matarrese stated the City has never allocated any money from the Public Arts Fund; the Fund has been growing for the past four years; a number of development activities will contribute to the Fund.

Blake Brydon, ACLO Vice President, stated ACLO supports the Alameda Museum; all arts organizations need to work together; he likes the idea of having money for the Museum and having a separate line item for the Cultural Arts; every arts organization should be able to apply for a grant every year; equity is needed between organizations; ACLO is constantly fundraising; equity is needed among the various organizations; approximately \$80,000 is raised through fundraising events and another \$40,000 is received from general donations.

Mayor Johnson inquired how many hours volunteers contribute.

Teddy Tabor, ACLO, responded that she would not be able to count the number of hours; stated ACLO has a paid Director this year; solicitation efforts are necessary.

Councilmember Gilmore stated solicitations raise community awareness.

Councilmember deHaan stated the Kaufman Auditorium was one day away from a wrecking ball and would have been a major loss; urged the Museum to look to corporate donors; \$50,000 could be allocated to the Museum and another line item could be established for Cultural

Arts; everyone should be supportive of one another.

Mayor Johnson stated the Museum Board needs to show that businesses benefit from making donations to the Museum; ACLO convinces businesses that support makes sense.

Councilmember Matarrese stated a condition should be to have a written agreement with the Museum and the City that includes liability issues and a component for escalating the contribution as a matching vehicle going forward.

The City Manager stated the City has been working on an agreement with the exception of the matching component.

Councilmember Matarrese stated that he does not support a cut in the existing allocation; a gap exists between the rent and the City's practice of paying the entire rent and the existing allocation; there should be some type of matching incentive to close the gap; a rent increase is guaranteed; a second condition should be to establish a business and fundraising plan.

Councilmember deHaan stated the matter might not be resolved tonight.

Councilmember Matarrese stated the budget resolutions should be adopted with the conditions that the Museum allocation not be reduced, the City establish a Cultural Arts Program with the difference, the Museum and the City come to a written agreement that would include the escalator to help close the gap with the matching fund, and that the Museum must have a business and fundraising plan within the next quarter.

Mayor Johnson stated other arts organizations should have an annual budget amount that they can apply for on a grant basis; the City needs to support other organizations; City support should be on a matching grant basis.

Councilmember deHaan requested clarification on whether Mayor Johnson is recommending not reducing the amount by 10% and the delta for rent would include \$14,000 as a match.

Mayor Johnson stated that she would recommend a 10% reduction and allow the Museum to earn another 10% to 20% on a matching basis.

The City Manager stated the match could take up the entire \$50,000.

Councilmember Matarrese stated that the accumulated Public Arts Fund can be for public art as well as for programs; the two-year budget cycle did not anticipate a 10% cut for the Museum subsidy; the cycle can be finished out and \$50,000 can be added for a Cultural Arts Program; \$42,700 is already budgeted.

Vice Mayor Tam inquired whether Councilmember Matarrese is recommending adding \$50,000 to what is being proposed tonight.

Councilmember Matarrese responded that \$8,000 is needed to fund a \$50,000 Cultural Arts Program; \$50,000 would be in the Museum fund; \$46,000 is currently allocated for the Museum; \$4,000 is the match for this cycle to close the Museum rent gap.

The City Manager stated \$7,500 was saved by not paying two months rent and could apply to the \$8,000 needed [for the Cultural Arts Program].

Mayor Johnson inquired whether using the \$42,000 [for the Cultural Arts Program] conflicts with the Public Arts Ordinance.

The City Manager responded staff would come back to Council outlining obstacles; funding sources would need to be identified.

Mayor Johnson stated funding should be made available to other non-profits.

Councilmember Matarrese stated a written agreement with the Museum should include all liability and insurance requirements and completion of a business and fundraising plan within a quarter.

The City Manager clarified that the [Museum] grant would be for \$46,000 with a total cap of \$50,000 with matching donations.

Mayor Johnson stated performance measures should be implemented.

Vice Mayor Tam stated modified the recommendation should include that the Museum provide a annual performance report.

Councilmember deHaan inquired why the \$7,500 in unpaid rent would not be part of the over and above [funding for the Museum].

The City Manager responded the \$7,500 would be applied to the matching grant for the other arts groups; stated the Museum would need to raise \$4,000 as a match.

Councilmember Gilmore stated the grant application process should be done on a two-year cycle; she has no problem with funding the Museum; she has a problem with escalating rent; she does not want to be in the same situation when the lease comes up in two years; the City needs to help the Museum with finding a site if funding raising is not enough to cover a projected rent increase; the City is spending approximately \$80,000 on the Museum and Meyers House; the Meyers is an issue because it is a deteriorating asset; the City needs to set aside a reserve fund to take care of issues or consider reverting back to the trust.

Councilmember deHaan concurred with Councilmember Gilmore; stated the Recreation and Park Department has taken on another burden; the Meyers House funding needs to be reviewed.

Mayor Johnson requested that the Museum agreement come back to Council.

Councilmember/Board Member/Commissioner Matarrese moved adoption of ARRA Resolution Approving and Adopting the Operating Budget and Appropriating Certain Moneys for the Expenditures Provided in Fiscal Year 2007-08; the CIC Resolution Approving and Adopting the Operating Budget and Appropriating Certain Moneys for the Expenditures Provided in Fiscal Year 2007-08; and the City Council Resolution Approving and Adopting the Operating Budget and Capital Improvements and Appropriating Certain Moneys for the Expenditures Provided in Fiscal Year 2007-08, with maintaining the rent level for the museum.

Councilmember/Board Member/Commissioner Gilmore seconded motion, which carried by unanimous voice vote - 5.

Councilmember Matarrese moved adoption of the Resolution Establishing Guidelines for Reimbursement of Per Diem Allowance for City of Alameda Business Travel.

Councilmember Gilmore seconded the motion, which carried by unanimous voice vote - 5.

Councilmember Matarrese moved approval of pursuing an agreement with the Alameda Museum including the ability to match funds to the full amount of the line item [\$50,000], and the requirement that the Museum establish a business plan, fund raising plan, performance standards, and performance report.

Mayor Johnson requested that the motion be amended to require that

the business plan include reviewing the location issue and that the plan be for a two-year cycle.

Councilmember Matarrese clarified that the agreement details should include all the liabilities and necessary City requirements; the business plan details should look at the horizon of the lifespan details of the current location as well as future location.

Mr. Gunn stated the Museum Board is willing to look at any proposed location.

Mayor Johnson stated the City will help, but the Museum needs to plan for the future.

Mr. Gunn stated the Museum is not allowed to have the building [Carnegie Building].

Mayor Johnson inquired how much money the Museum has for a new site.

Ms. Dileo responded over \$100,000.

Councilmember Matarrese stated there is a motion on the floor regarding going forward with the agreement with the Museum.

Councilmember deHaan seconded the motion, which carried by unanimous voice vote - 5.

Councilmember Matarrese moved approval of staff reviewing the Public Arts Fund and its applicability to a fund that would total \$50,000 and would be available through a grant process for Cultural Art activities in the City.

Councilmember Gilmore stated a caveat to the motion would be to ensure that the grant process is on a two-year cycle; requested that staff review the Meyer House issue.

Mayor Johnson stated Council would like to have the money available soon; she would hope to be in a position of assessing applications in three months.

Councilmember deHaan seconded motion, which carried by unanimous voice vote - 5.

Councilmember Gilmore stated staff has been given direction to review the Meyers House issue; she does not want the issue

forgotten.

Mayor Johnson stated the responsibility for the Meyers House was given to the Recreation and Park Department budget without funding.

Councilmember deHaan inquired whether Development Services could support some of the funding and training [for the Cultural Arts Program] since the issue is related to economic development activity; requested staff to review the matter; further stated a shuttle service was discussed for the Fleet Industrial Supply Center (FISC) property; it is important to set up the dynamics within the City to be able to transport individuals, particularly seniors, to shopping centers; the matter should be addressed in future development agreements, such as Alameda Point and the Northern Waterfront; he would like to have a commitment from the FISC property developer; stated San Leandro's program was initiated with Measure B funding; requested that staff review San Leandro's program.

ADJOURNMENT

There being no further business, Chair Johnson adjourned the Special Joint Meeting at 11:31 p.m.

Respectfully submitted,

Lara Weisiger, City Clerk
Secretary, Community Improvement
Commission

The agenda for this meeting was posted in accordance with the Brown Act.